Trade concession offered by Pakistan

625. SHRI LAJPAT RAI: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that Pakistan had granted duty concession on over 600 items to India and other SAARC countries under the South Asia Preferential Trade Agreement (SAPTA);

(b) if so, the names of these items together with the duty concession given on each; and

(c) what is Government's reaction to these concessions?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDI): (a) to (c) The SAARC member countries exchange tariff concessions with each other under the South Asian Preferential Trade Agreement (SAPTA). Pakistan also grants concessions to SAARC member countries including India under SAPTA. These concessions are given the legal cover by issuance of related Customs Notification, which Pakistan had done earlier *vide* notification dated the 17th June, 2000. With the changes in the Harmonised Coding System in 2002, a number of H.S. Codes have either been deleted, merged or changed, necessitating re-vamping of the said Customs Notification. It is for this reason that a revised Customs Notification dated the 15th June, 2002 has been issued by the Government of Pakistan which covers the concessions already available to SAARC member countries, and there is no change in the rates of preferential duty concessions.

Benefits for organised industrial sector

626. SHRI SURESH PACHOURI: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the extent to which the organised industrial sector has been benefited from the globalisation;

(b) whether any study has been conducted in this regard; and

(c) if not, in what manner Government propose to move on the Second Generation Reforms?

THE MINISTER OF STATE INTHE MINISTRY OF COMMERCE AND INDUSTRY (DR. RAMAN SINGH): (a) Globalisation has favourably impacted

industrial sector with greater inflow of technology, foreign investments and increased trade. This is evident from the following comparision of foreign technology agreements, FDI inflows, and amount of trade during 1991 -the year when economic reforms were initiated, and during 2002.

Item	1991	2001
FDI inflows ($ million)	143.62	4281.10
Foreign Technology Agreement (no's)	661	6921*
Exports of manufactured goods ($ million)	13229#	35192 #

*upto December 2001 # financial year

(b) and (c) In order to assess global competitiveness of Indian industry, studies have been entrusted to organisations of international repute in respect of Cement, Pulp and paper industry and Capital goods sector.

To carry forward second generation reforms, the budget strategy for the current financial year is on consolidation of tax reforms and to continue fiscal adjustment at both the Central and State levels. The Government is working jointly with the States through the Fiscal Reforms Incentive Fund set up on the recommendations of the Eleventh Finance Commission.

In pursuance of the power sector reforms, the Ministry of Power has already signed Memoranda of Understanding (MoUs) with 21 States and is expected to complete the exercise with the remaining States soon. The Government has enhanced plan allocation of Rs. 3500 crore for 2002-2003 under the Accelerated Power Development Fund (APDP), up from Rs. 1,500 crore last year. States will have access to this fund on the basis of agreed reform programmes.

Irregularities in Exort Inspection Council

627. SHRI K. NATWAR SINGH: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether many Members of Parliament have urged the Prime Minister to order a high-level probe into the serious irregularities in Export Inspection Councial of India;

(b) if so, whether the members have furnished details about the acts of omission and commission and some officials going against the rules and regulations;